

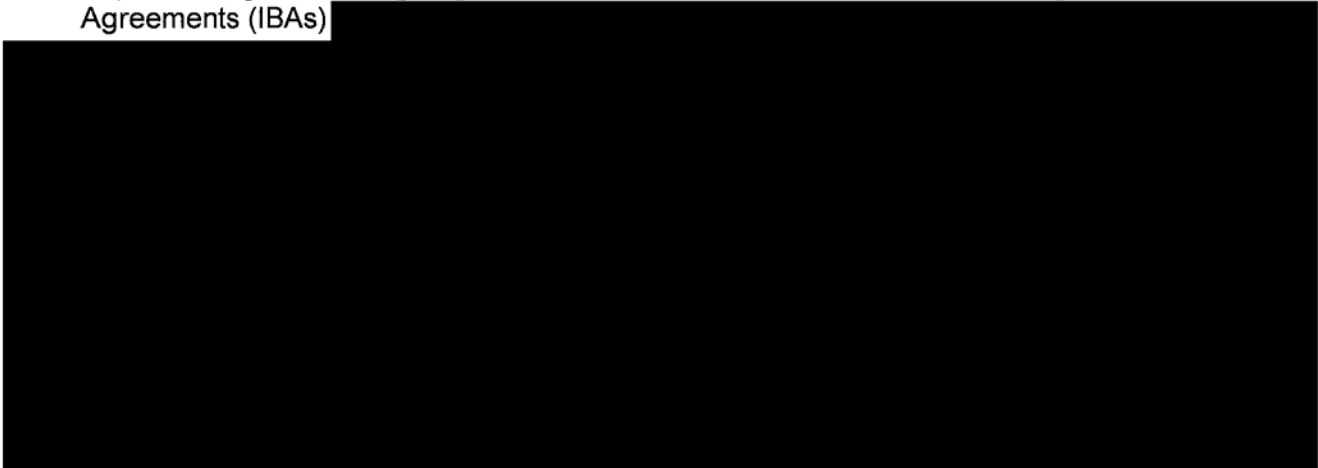


BRIEFING NOTE TO THE DEPUTY MINISTER

**AN AMENDED APPROACH TO THE WASTEWATER TARGET
FOR INTEGRATED BILATERAL AGREEMENTS**

(For Signature)

ISSUE

- Implementing the existing target for wastewater infrastructure under the Integrated Bilateral Agreements (IBAs)
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BACKGROUND

- Improved environmental quality is a key federal outcome to be supported under the IBAs. Effluent from wastewater systems represents one of the largest sources of pollution, by volume, in Canadian waters. Improvements to wastewater infrastructure could have a direct and meaningful benefit in reducing harm to aquatic ecosystems and the health of Canadians.
- A decade ago, the Canadian Council of Ministers of the Environment recognized the importance of concerted action to address the issue of municipal wastewater effluent, which led to federal *Wastewater Systems Effluent Regulations* (WSER) being made in 2012. Given the costs and planning horizons for modernizing wastewater infrastructure, those regulations included extended transition periods of varying length (until 2020, 2030 or 2040) for bringing systems into compliance depending on whether they posed a high, medium or low risk to the environment.

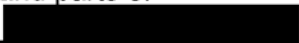


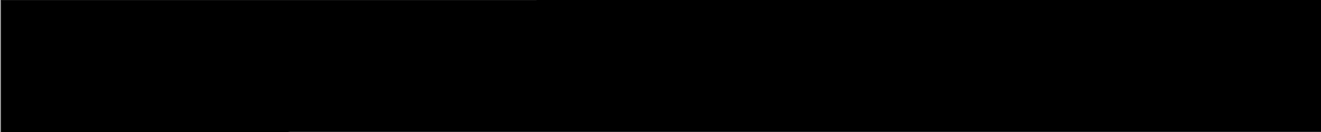
The current IBA wastewater indicator, baseline and target

- The current wastewater indicator, baseline and target for the IBAs is unique in being linked to a federal regulatory regime, in this case led by Environment and Climate Change Canada (ECCC).



CONSIDERATIONS

Application of the WSER to provinces and territories increasingly uneven

- The WSER does not, and increasingly will not, apply to all jurisdictions, meaning that an indicator, target and baseline narrowly focused on compliance with the federal regulations could become increasingly less relevant over time.
 - The original regulations excluded Nunavut, Northwest Territories, and parts of Quebec and Newfoundland and Labrador north of the 54th parallel 

 - The federal regulations also contemplated that where a provincial or territorial regime was deemed to be equivalent to the WSER, an Order in Council (OIC) could declare the WSER not to apply to that province or territory. Such an OIC came into force in 2015 with respect to Yukon. 

Additional OICs with respect to other provinces could also be contemplated in the future.

Available risk ratings under the WSER are limited

[REDACTED] When ECCC was developing the WSER, they obtained data from each jurisdiction on the number of individual facilities that would need upgrading, as well as a preliminary rating as to the risk they posed to environment. This baseline information was published in the Risk Impact Analysis Statement associated with the WSER, and is presented in Table 1 in the annex.

[REDACTED] To be eligible for a risk-based transition period to come into compliance with the regulations, facilities needed to apply by 2014.

[REDACTED] These numbers are presented in Table 2 in the annex.

- They have noted that wastewater treatment facilities can be expensive projects and will be drawing on the same sub-stream of funding as drinking water, which is also subject to a federal target. Most projects would be multi-million dollar investments; the Vancouver Northshore Lions Gate Wastewater Treatment Plant (at the high end) is a \$700 million project.

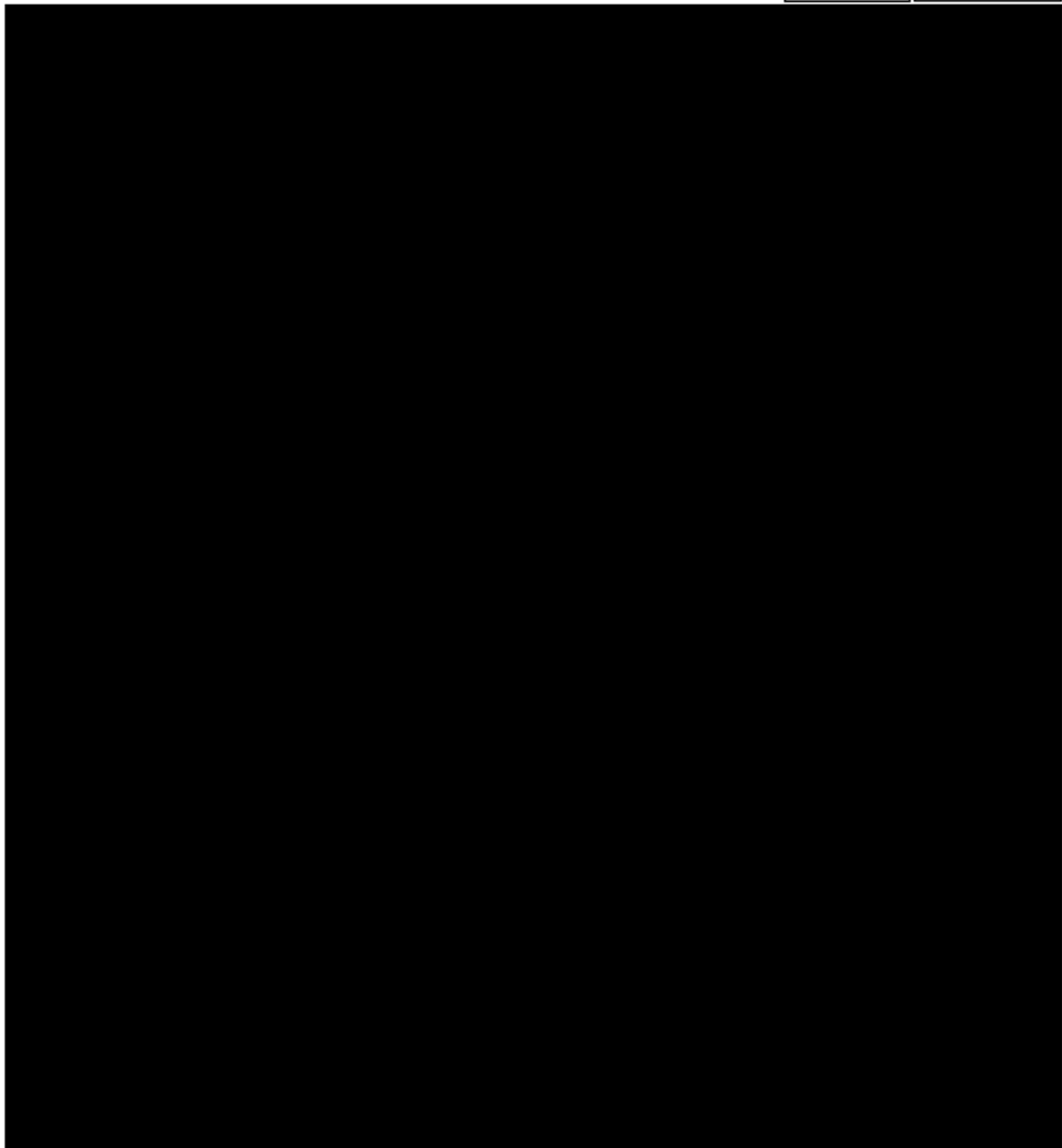
- The 2012 baseline was not meant to suggest, however, that all [REDACTED] [REDACTED] The regulations have already been in place for a number of years, and it was assumed that the additional IBA investments would be simply supplementing and accelerating existing plans by provinces and territories to bring their systems in line with the regulations, and that many upgrading projects would have already been completed or underway (including with federal support from the Canadian Water and Wastewater Fund and other existing federal programs).

Alternative measures of the state of wastewater infrastructure in Canada possible

- While the current target is focused on compliance with federal regulations, another way to look at the health of Canadian wastewater infrastructure would be to look at the physical condition of facilities and associated assets.
 - The 2016 Canadian Infrastructure Report Card (led by the Canadian Society for Civil Engineering, the Canadian Public Works Association, the Canadian Construction Association, and the Federation of Canadian Municipalities) indicates that the 81 responding municipalities reported that 11% of physical wastewater assets were in either poor or very poor condition (with a replacement value of \$13.6 billion), and a further 16% in only fair condition (with a replacement value of \$29.6 billion).

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pursuant to paragraph 69(1)(g)
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de la *loi sur l'accès à l'information***

**NEXT STEPS**

- Should you wish, officials are available to meet with you to further discuss this issue and the available options.



SECRET

David Murchison
Assistant Deputy Minister,
Policy and Results

___ I approve.

___ I do not approve.

___ For discussion.

Kelly Gillis
Deputy Minister
Infrastructure and Communities

Date

**Page(s) 8 to 11
are excluded
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BRIEFING NOTE TO THE DEPUTY MINISTER

AN AMENDED APPROACH TO THE TRANSIT PROXIMITY TARGET

(For Signature)

ISSUE

- Targets are one element of Infrastructure Canada's (INFC) performance measurement strategy. They are intended to be ambitious, indicative of where the federal government expects to see improvements and must be included in each PT's IBA.

The following outlines four options to amend the target.

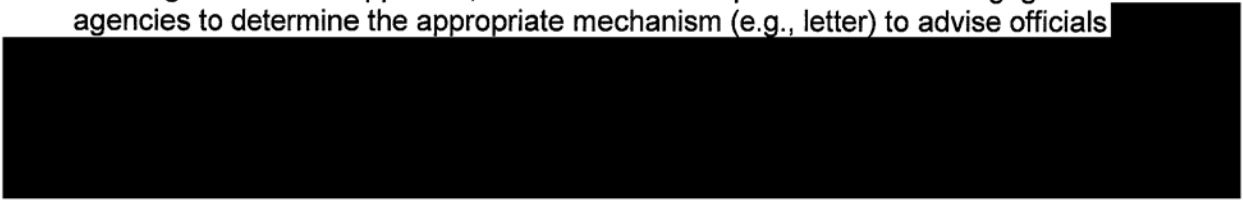
BACKGROUND

- A proximity target was chosen in order to ensure Canadians can actively participate in their community, using reliable public transit that connects them to commercial, recreational and employment hubs.
- The national and PT baselines for the target were established using the Canadian Urban Transit Association's (CUTA) 2015 Fact Book which included population numbers for both the municipal population and the "service area" population as well as suggestion for a local standard (e.g., 400m from a service route).

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69(1)(g)re:(c), 69(1)(g)re:(d) et 69(1)(g)re:(e)
de la *loi sur l'accès à l'information***

CONFIDENTIAL**NEXT STEPS**

- Should you wish, officials are available to meet with you to further discuss the above options.
 - Pending a confirmed approach, INFC would develop a rationale and engage with central agencies to determine the appropriate mechanism (e.g., letter) to advise officials
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David Murchison
Assistant Deputy Minister,
Policy and Results

___ I approve.

___ I do not approve.

___ For discussion.

Kelly Gillis
Deputy Minister
Infrastructure and Communities

Date